

## APPENDIX

Revenue Act of 1936, Chapter 690, 49 Stat. 1648, 1709.

"Section 181: Partnership Not Taxable.

"Individuals carrying on business in partnership shall be liable for income tax only in their individual capacity.

"Section 182: Tax of Partners.

"There shall be included in computing the net income of each partner his distributive share, whether distributed or not, of the net income of the partnership for the taxable year.

"Section 187: Partnership Returns.

"Every partnership shall make a return for each taxable year, stating specifically the items of its gross income and the deductions allowed by this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner with the approval of the Secretary may by regulations prescribe, and shall include in the return the names and addresses of the individuals who would be entitled to share in the net income if distributed and the amount of the distributive share of each individual. The return shall be sworn to by any one of the partners."

Revenue Act of 1938, Chapter 289, 52 Stat. 447, 521.

"Section 181.

Same as Revenue Act, 1936, above.

"Section 182: Tax of Partners.

"In computing the net income of each partner, he shall include, whether or not distribution is made to him—

"(a). As a part of his short-term capital gains or losses, his distributive share of the net short-term capital gain or loss of the partnership.

"(b). As a part of his long-term capital gains or losses, his distributive share of the net long-term capital gain or loss of the partnership.

"(c). His distributive share of the ordinary net income or the ordinary net loss of the partnership, computed as provided in Section 183 (b), 53 Stat. 69.

"Section 187"

Same as Revenue Act, 1936, above.

"Section 3797.

"When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof — "

"(2). **PARTNERSHIP AND PARTNER.**

—The term 'partnership' includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term 'partner' includes a member in such a syndicate, group, pool, joint venture, or organization."